



December 28, 2009

Dear General Agents,

I would like to take this opportunity to share with you the details of our recent conversation with C.H. Robinson regarding their logistics services and Canal's insureds. The topic of discussion during our meetings was centered on the question of why some of our insureds were not allowed to transport loads brokered by C.H. Robinson. The feedback we received from many of Canal's General Agents referenced the exclusions under Canal's Cargo Forms as the primary issue.

During the course of our conversations with C.H. Robinson's Carrier Services, we found that there are a variety of reasons an insured may be refused a load by C.H. Robinson. What we discovered was that in some cases, truckers were not deemed a good fit by C.H. Robinson for the load available, and were therefore denied a shipment. For instance, a motor carrier with a limited operating history or record of an inconsistent delivery schedule may be refused a load. In addition, some shippers establish minimum requirements for a motor carrier that an insured may not meet (for example, beer distributors often require a minimum number of years of experience). As a result of these complexities and concerns expressed by you, we requested that Canal be given a single point of contact at C.H. Robinson to address any questions or issues that may arise in the future. I am pleased to tell you that C.H. Robinson has assigned Collette Becker to be our single point of contact within their organization, and I would encourage you to contact Collette to resolve any issues or concerns that may arise. Collette's contact information is as follows:

Collette Becker
C.H. Robinson Worldwide – Carrier Services
Toll Free Number: (800) 326-9977
Direct Line: (952) 683-3900, ext. 2950
Email: collette.becker@chrobinson.com

Of particular note is the encouraging news we received from C.H. Robinson. Did you know that Canal's Cargo insureds transported approximately 30,000 loads during the third quarter of 2009 for C.H. Robinson? In addition, Canal is on target to surpass this amount in the fourth quarter.

On behalf of all of us here at Canal, I want to thank you for your hard work, and your contribution to our success. Canal Insurance Company is committed to assisting our General Agents, and we hope that you will find this information helpful. If we can be of assistance to you on any other matter, please do not hesitate to contact us.

Sincerely,

Mike Gordon
Assistant Vice President, Claims